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IN THE

Supreme Court of the United States

October Term, A. D. 1938

No. 603

MONTGOMERY WARD & COMPANY, INC.,
an Illinois corporation,

Petitioner,

vs.

THE TOLEDO PRESSED STEEL COMPANY,
an Ohio corporation,

Respondent.

**PETITION FOR WRIT OF CERTIORARI TO THE
UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SECOND CIRCUIT.**

✓ **CARL V. WISNER,**

Solicitor for Petitioner.

ANTHONY WILLIAM DELLER,

CARL V. WISNER, JR.,

Of Counsel.

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PETITION FOR WRIT OF CERTIORARI

**To the United States Circuit Court of Appeals
for the Second Circuit.**

**TO THE HONORABLE THE CHIEF JUSTICE AND THE ASSOCIATE
JUSTICES OF THE UNITED STATES SUPREME COURT:**

Montgomery Ward & Company, Inc., an Illinois corporation, complains of the decree and opinion of the United States Circuit Court of Appeals for the Second Circuit, dated November 7, 1938, not reported as yet, entered in a certain cause pending therein, entitled *The Toledo Pressed Steel Company v. Montgomery Ward & Company, Inc.*, No. 16,071, reversing the decree of the United States District Court for the Eastern District of New York in favor of petitioner (R. 432), and respectfully petitions for a writ of certiorari to review the same as against The Toledo Pressed Steel Company, an Ohio corporation.

A.

JURISDICTION OF THIS COURT.

This application for a writ of certiorari is made under Subdivision (a), Section 240 of the Judicial Code (28 U. S. C. A., Sec. 347). The suit is for infringement of United States Letters Patent, property of respondent. The decision of the Circuit Court of Appeals is final.

The decision of the United States Circuit Court of Appeals for the Second Circuit holding the patent in suit, Withrow et al. No. 1,732,708, for a burner, valid and infringed, is in conflict with a decision of the United States Circuit Court of Appeals for the Sixth Circuit, *Standard Parts, Inc. v. The Toledo Pressed Steel Company*, 93 F (2nd) 336, which held the patent in suit to be invalid.

B.

SUMMARY STATEMENT OF MATTERS INVOLVED

Prior to the decision in *Standard Parts, Inc. v. The Toledo Pressed Steel Company*, 93 F (2nd) 336, respondent filed an action in the United States District Court for the Eastern District of New York for the infringement of Withrow and Close patent No. 1,732,708.

The District Judge filed an opinion finding that the patent was void for want of novelty, that certain claims thereof were aggregative, and, in effect, that the patent covered a new use for a well-known prior art structure (R. 424-430), and a decree dismissing the bill for want of equity was entered (R. 432, 433).

The United States Circuit Court of Appeals for the Second Circuit filed an opinion November 7, 1938, one judge dissenting, in which the decree of the District Court was reversed, the majority of the Court holding that invention

had been established and that petitioner's device infringed the claims in suit, refusing to follow the Sixth Circuit decision.

On or about July 1, 1938, The Toledo Pressed Steel Company, respondent herein, filed a petition for writs of certiorari to review the decision of the United States Circuit Court of Appeals for the Sixth Circuit, Nos. 166, 167, October term, 1938. This petition for certiorari was first denied by this Court October 10, 1938, but was granted November 21, 1938 on respondent's petition for rehearing and a supplement thereto, which set up the conflict of decisions between the Sixth and the Second Circuits.

Respondent's patent covers a flame guard or burner for kerosene torches such as are commonly used as warning signals on the highways. There is a controversy as to the mode of operation of the structure, but its abstract effect is to keep a kerosene flame alight in winds and rain such as are met with on the highways. Claims 2, 5, 11 and 12 are in suit herein. Claims 2 and 5 cover a combination of a conventional torch body with the flame guard or burner described in respondent's patent. Claims 11 and 12 cover the burner alone.

Petitioner contended below that claims 2 and 5 were aggregative, were anticipated by a certain Russian patent to Malcov, No. 1163 of 1868, and that the association of a flame guard or burner with a torch body involved only mechanical skill.

As to claims 11 and 12, petitioner contended below that they were anticipated by a certain structure described in a patent to one Rutz, No. 1,101,146, or, if not anticipated by Rutz, that since defendant was using the Rutz structure, its device could not infringe within rules laid down in many cases. Petitioner further contended that the patent was

void under the patent statute as being for a new use for the structure described in the said Rutz patent.

The United States Circuit Court of Appeals for the Second Circuit, in reversing the District Court, held that the claims were not aggregative, being for a "unitary structure," were not anticipated, and that the device involved more than the exercise of mechanical skill. The Court further held that defendant's use of a prior art structure did not preclude infringement and found that all claims in suit were valid and infringed.

C.

REASONS RELIED ON FOR THE ALLOWANCE OF THE WRIT.

1. This case presents questions of public importance, since it involves a conflict between circuits as to the validity of United States Letters Patent No. 1,732,708, issued October 22, 1929 to respondent on the application of Joseph E. Withrow and Lyman W. Close. Said patent has been held valid and infringed by the United States Circuit Court of Appeals for the Second Circuit in the instant case, and void for want of invention by the United States Circuit Court of Appeals for the Sixth Circuit in *Standard Parts, Inc. v. The Toledo Pressed Steel Company*, 93 F (2d) 336. A petition for writs of certiorari, Nos. 166, 167, October Term, 1938, was granted as to said last-mentioned cases on November 21, 1938.

2. In holding that claims 2 and 5 of the patent in suit are valid as being for a "unitary structure," the Court below has disregarded the doctrine enunciated in *Lincoln Engineering Company v. Stewart Warner Corporation*, 8 L. ed. Adv. Sheet 13, p. 695, decided by this Court March 28, 1938.

3. In holding that claims 11 and 12 are not anticipated by the patent to Rutz, No. 1,101,146, but that petitioner's device, which utilizes the Rutz structure, nevertheless infringes said claims, the Court below has disregarded the well-recognized doctrine: "That which does not anticipate cannot infringe," announced by this Court in the following cases: *Peters v. Active Manufacturing Company*, 129 U. S. 530, 537; *Grant v. Walter*, 148 U. S. 547; *Knapp v. Morss*, 150 U. S. 221, 226; *American Fruit Growers Inc. v. Brogdex Company*, 283 U. S. 1.

4. In holding that a patent is valid in spite of the fact that a prior art device may be "employed without change for the purposes of the patent," the Court below has departed from the rule of numerous decisions of this Court, particularly *Grant v. Walter*, 148 U. S. 547, and from its own decisions, *Dwight & Lloyd Sintering Company v. Greenawalt*, 27 F (2nd) 823, and *Ingersoll-Rand Company v. Worthington etc. Company*, 87 F (2nd) 320.

5. In holding that the claims in suit cover a structure in which the air inlet ports are disposed in a manner entirely contrary to the disclosure of the patent specification, the Court has disregarded principles announced in *Schriber-Schroth Company v. Cleveland Trust Company*, Nos. 3-5, October Term, 1938, decided November 7, 1938, that: "The patent monopoly does not extend beyond the invention described and explained as the statute requires," and "That it cannot be enlarged by claims in the patent not supported by the specification."

6. The Court erred in making the following findings which are not supported by the evidence and record:

(a) That widely separated unsuccessful attempts had been made to provide some means to prevent the flame from being extinguished;

(b) That the patent device reduced oil consumption more than fifty per cent., and that wick consumption was practically eliminated;

(c) That the District Court "felt obliged" to follow the Sixth Circuit decision;

(d) The Court's findings in reference to the operation of the patented structure and of the Rutz structure (Patent No. 1,101,146) were not supported by the evidence;

and further erred in making such findings without reference to the evidence.

WHEREFORE your petitioner respectfully prays that a writ of certiorari issue to the United States Circuit Court of Appeals for the Second Circuit, commanding said Court to certify and send to this Court, on a day designated, for its review and determination, a full and complete transcript of the record and all proceedings in the United States Circuit Court of Appeals for the Second Circuit had in said cause, to the end that said cause may be reviewed and determined by this Court, as provided by law, and that the judgment of the United States Circuit Court of Appeals for the Second Circuit, reversing the decree of the United States District Court for the Eastern District of New York, may be reversed, and that your petitioner may have such other and further relief in the premises as to this Court will seem meet and just.

CARL V. WISNER,

Solicitor for Petitioner.

ANTHONY WILLIAM DELLER,

CARL V. WISNER, JR.,

Of Counsel.

BRIEF IN SUPPORT OF PETITION FOR CERTIORARI.

I.

OPINION OF THE COURT BELOW.

The opinion of the United States Circuit Court of Appeals for the Second Circuit was rendered November 7, 1938. Rehearing was denied December 5, 1938. The opinion is not yet reported, so far as we are advised.

II.

JURISDICTION OF THIS COURT.

1. The jurisdiction of this Court is based on Judicial Code, Section 240, as amended by Act of February 13, 1925, 28 U. S. C. A. Section 347. The jurisdiction of the District Court arose through a suit brought under the patent statute.
2. The original date of the judgment sought to be revised is November 7, 1938. A petition for rehearing was filed November 19, 1938, within the time provided by the rules of the Circuit Court of Appeals, and a rehearing was denied December 5, 1938.
3. The questions raised in this Court on this record are in substance whether Withrow and Close patent No. 1,732,708, dated October 22, 1929, is valid and infringed. Said patent has been held valid and infringed by the Circuit Court of Appeals for the Second Circuit in the instant case, and void for want of invention by the Circuit Court of Appeals for the Sixth Circuit in *Standard Parts, Inc. v. The Toledo Pressed Steel Company*, 93 F. (2nd) 336.

III.

STATEMENT OF THE CASE.

The essential facts of the case are fully stated in the accompanying petition for certiorari and in interests of brevity, are not repeated here.

IV.

SPECIFICATION OF ERRORS.

A detailed specification of errors as claimed by your petitioner is set forth under Section C of the accompanying petition, "Reasons for Granting the Writ," and may be summarized as follows:

1. A conflict exists between the Circuit Courts of Appeal for the Second and the Sixth Circuit, respectively, as to the validity of United States Letters Patent No. 1,732,708, issued October 22, 1929 to respondent on the application of Joseph E. Withrow and Lyman W. Close.

2. In holding claims 2 and 5 of the patent in suit valid as being for a "unitary structure," the Court below departed from the doctrine of *Lincoln Engineering Company v. Stewart Warner Corporation*, 82 L. ed. Adv. Sheet 13, p. 695, decided by this Court March 28, 1938.

3. In holding claims 11 and 12 not anticipated by patent to Rutz, No. 1,101,146, but nevertheless infringed by petitioner's device, when said device has been found to use the Rutz structure, the Court below disregarded the well-recognized doctrine: "That which does not anticipate cannot infringe," *Peters v. Active Manufacturing Company*, 129 U. S. 530; *Grant v. Walter*, 148 U. S. 547; *Knapp v. Moss*, 150 U. S. 221; *American Fruit Growers, Inc. v. Brogger Company*, 283 U. S. 1.

4. In holding that a patent is valid in spite of the fact that a prior art device "may be employed without change for the purposes of the patent," the Court below has sanctioned a patent for the use or function of a device and not for a new device, contrary to the patent statute, 35 U. S. C. A., Sec. 31, and to the holdings of this Court in *Great v. Walter*, 148 U. S. 547, and contrary to its own holdings in *Dwight & Lloyd Sintering Company v. Greenawalt*, 27 F (2nd) 823; *Ingersoll-Rand Company v. Worthington etc. Company*, 87 F (2nd) 320.

5. In holding that the claims in suit cover a structure in which the air inlet ports are disposed in a manner entirely contrary to the disclosure of the patent specifications, the Court has disregarded principles announced in *Scriber-Schroth Company v. Cleveland Trust Company*, Nos. 3-5, October term, 1938, decided November 7, 1938, that: "The patent monopoly does not extend beyond the invention described and explained as the statute requires" and "That it cannot be enlarged by claims in the patent not supported by the specification."

6. The Court erred in making certain findings of fact, contrary to the evidence, and in making such findings without reference to the evidence.

V.

SUMMARY OF ARGUMENT.

I.

Claims 2 and 5 are aggregative.

Lincoln Engineering Company v. Stewart Warner Corporation, 82 L. ed. Adv. Sheet 13, p. 695.

II.

Claims 11 and 12 are anticipated by United States patent to Rutz, No. 1,101,146.

III.

The claims in suit are void since the Rutz structure can be employed without change for the purposes of the patent in suit.

Grant v. Walter, 148 U. S. 547;

Dwight & Lloyd Sintering Co. v. Greenawalt, 7 F (2nd) 823;

Ingersoll-Rand Co. v. Worthington etc. Co., 87 F (2nd) 320.

IV.

If it be the holding of the Court that claims 11 and 12 are not anticipated by patent to Rutz, No. 1,101,146, the petitioner's device cannot infringe, since it uses the Rutz structure.

Peters v. Active Manufacturing Co., 129 U. S. 530.

Grant v. Walter, 148 U. S. 547;

Knapp v. Morss, 150 U. S. 221;

American Fruit Growers, Inc. v. Brodus Co., 28 U. S. 1.

The claims, as construed, extend beyond the invention, and are not supported by the specification.

Scriber-Schroth Co. v. Cleveland Trust Co., Nos. 3-5, Oct. Term, 1938, decided November 7, 1938;
Permutit Co. v. Graver Corp., 284 U. S. 57;
Snow v. Lake Shore M. S. R. Co., 121 U. S. 617.

VI.

The Court erred in making certain findings of fact, contrary to the evidence, and in making such findings without reference to the evidence.

ARGUMENT.

I.

Claims 2 and 5 are aggregative.

Claim 2, which is typical of both claims 2 and 5, purports to cover:

- (a) a torch body, and
- (b) a flame guard, including
 - (1) a cap with an imperforate top wall,
 - (2) lateral flame openings adapted to emit a luminescent flame, and
 - (3) air ports.

The combination of a torch body and a flame guard was not new. It is shown clearly in the Wall patent, No. 228,497 of 1880 (R. 344). The drawings show a torch body A and a flame guard G.

There can be no claim that respondent improved the torch body. In fact, no changes were made in the torch body, because it was the desire of respondent to sell the flame guard as an accessory which earlier purchasers could add to the unprotected torches.

Thus the improvement, if any, was "Of one part of an old combination." In *Lincoln Engineering Co. v. Stewart Warner Corp.*, 82 L. ed. Adv. Sheet 13, p. 695, decided March 28, 1938, this Court held, per Mr. Justice Roberts:

"And the improvement of one part of an old combination gives no right to claim that improvement in combination with other old parts which perform no new function in the combination."

As we have pointed out, there was no change in either combination or function of the torch body, the wick tube

and the wick. Claims 2 and 5 are therefore invalid for the reasons set forth in the *Lincoln Engineering case*. The Circuit Court of Appeals below disregarded these facts and the applicable law.

II.

Claims 11 and 12 are anticipated by United States patent to Rutz, No. 1,101,146.

Claim 11 is typical of these two claims, and covers:

"A burner for a construction torch adapted to emit luminescent flame," including

- (a) a wick holder having
 - (1) a portion in contact with the wick, and
 - (2) a supporting and heat-receiving flange, and
- (b) "means enclosing a space above said flange and surrounding the wick except for provision for lateral exit of flame and restricted entrance of air for combustion."

The Rutz patent covering a flash igniter shows a flame guard for the pilot light on said flash igniter. Considering Rutz in any light, it provides the equivalent of a wick holder in a metal tube carrying a fuel supply. It disclosed what respondent contends is "a supporting and heat-receiving flange." It provides "means enclosing a space above said flange and surrounding" the wick's equivalent "except for provision for lateral exit of flame and restricted entrance of air for combustion." That the Rutz structure must inevitably be an anticipation is disclosed from the demonstrated fact that without structural change it performs every office of the flame guard of the patent in suit, a subject dealt with in the following section.

III.

The claims in suit are void since the Rutz structure can be employed without change for the purposes of the patent in suit.

In both Courts below respondent has made much of the fact that state laboratories have been established for testing safety devices, and that only the patented torch will qualify under the tests which have been promulgated. One of the most difficult states in which to obtain a qualification is Nebraska. This fact was agreed to by respondent's witnesses (R. 53, f. 156).

Petitioner prepared a set of three torches using the Rutz structure as a flame guard, and submitted them for test to the Nebraska Department of Roads and Irrigation, the proper authority. A certificate of qualification was promptly issued (R. 413-423).

This demonstrated beyond question that every function or use of the flame guard disclosed in respondent's patent can be performed by the Rutz flame guard, and that without any structural change.

This brings the patent in suit within the category of those which are void as being for a double or analogous use with prior art structures. The language of *Grant v. Walter*, 148 U. S. 547, 556, is precisely applicable:

"The most that can be said of this Grant patent is that it is a discovery of a new use for an old device which does not involve patentability."

The Second Circuit has held to precisely the same effect in *Dwight & Lloyd Sintering Co. v. Greenawalt*, 27 F (2nd) 823, and *Ingersoll-Rand Co. v. Worthington etc. Co.*, 87 F (2nd) 320. In the former of these cases, it was said by Judge Learned Hand at page 828:

"The use for which (prior art apparatus) was intended is irrelevant if it could be employed without

change for the purposes of the patent in suit; the statute authorizes the patenting of machines, not of their uses."

The Circuit Court of Appeals for the Second Circuit disregarded this point in reaching the decision that the patent was valid and infringed.

IV.

If it be the holding of the Court that claims 11 and 12 are not anticipated by patent to Rutz, No. 1,101,146, then petitioner's device cannot infringe, since it uses the Rutz structure.

The District Court found that the defendant was using the Rutz structure (Finding 7, R. 430). This finding was not disturbed on appeal. It was side-stepped by the argument that the patent was for a "unitary structure," and because:

"Infringement of a combination claim is not avoided by reason of the fact that appellee is free to use some or all of the separate elements of the combination because they existed in the prior art." (Opinion, p. 9.)

It is to be noted that the combination claims, Nos. 2 and 5, are aggregative, as heretofore pointed out in Section 1 of this argument, and that claims 11 and 12, upon which the Rutz structure clearly reads, are not within the class of combination claims which the Court had in mind. No patent can validly prevent petitioner from combining a torch body and a flame guard, as Wall has done in patent No. 228,497; the combination of a torch body and a flame guard was not new, as this patent clearly discloses. The Rutz flame guard had been disclosed and in public use for twelve or more years when respondent's patentees filed

their application. No valid patent can prevent petitioner from combining the Wall torch body with the Rutz flame guard. To hold otherwise is to disregard the fundamentals.

Since petitioner can validly produce a satisfactory and efficacious device using art of great age in comparison with the structure disclosed in the patent in suit, its device clearly cannot be an infringement, under the well-recognized principle: "That which does not anticipate cannot infringe." Cf. *Peters v. Active Manufacturing Co.*, 129 U. S. 530; *Grant v. Walter*, 148 U. S. 547; *Knapp v. Morss*, 150 U. S. 221; *American Fruit Growers Inc. v. Broder Co.*, 283 U. S. 1.

The application of this axiom presupposes a finding that the Rutz structure does not anticipate claims 11 and 12. Such a finding can result only from a conclusion that the patentable discoveries of Withrow and Close were the placing of the air inlet ports in the side of the flame guard, the air inlet ports of Rutz being in the horizontally-disposed flange surrounding the conduit for fuel.

Such an infinitesimal change can hardly be dignified as a patentable step.

V.

The claims, as construed, extend beyond the invention, and are not supported by the specification.

In defendant's structure, the air inlet ports are not in the cap, but are in a horizontal flange surrounding the wick tube. Such a structure, is foreign to the drawings and specification of the patent in suit.

The Circuit Court found:

"No statement in the claims or specifications requires that the cap rest directly on the body of the torch, nor that the air inlet ports be located in the body of the cap."

The specification states (p. 1, ll. 78-82):

"Air inlet openings 10 *being above the lower edge of the cap, leaves a space within the cap and above the flange of the wick holder for comparatively quiescent air.*" (Italics ours.)

The patented device will not operate as described if the inlet ports are located anywhere else than in the cap. To hold that the claims cover a different structure extends them "beyond the invention described and explained." *Scriber-Schroth Co. v. Cleveland Trust Co.*, Nos. 3-5, Oct. term, 1938, decided November 7, 1938, citing *Permutit Co. v. Graver Corp.*, 284 U. S. 57 and *Snow v. Lake Shore M. S. R. Co.*, 121 U. S. 617.

VI.

The Court erred in making certain findings of fact, contrary to the evidence, and in making such findings without reference to the evidence.

The points involved are summarily stated in point 6 of Subdivision C of the Petition: "Reasons relied on for the allowance of the writ." Argument here would unduly extend this brief, but it may be noted, for example, that the finding that the patented structure reduced oil consumption more than fifty per cent. is contrary to the findings of a very careful series of laboratory tests (R. 156, f. 467).

It is further to be noted that the Circuit Court made its contrary findings without reference to the evidence, a point to which this Court has granted certiorari in *Mackay Radio etc. Co. v. Radio Corp.*, No. 127, October term, 1938.

CONCLUSIONS.

It is respectfully submitted from the foregoing argument that the Circuit Court of Appeals for the Second Circuit has erred in finding the patent in suit valid and infringed, and that certiorari should be granted to correct this error and reconcile the holding with that of the Circuit Court of Appeals for the Sixth Circuit in the *Standard Parts* case.

All of which is respectfully submitted.

CARL V. WISNER,
Solicitor for Petitioner.

ANTHONY WILLIAM DELLER,
CARL V. WISNER, JR.,
Of Counsel.